



KENTUCKY INFRASTRUCTURE AUTHORITY

Steven L. Beshear
Governor

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<http://kia.ky.gov>

John E. Covington III
Executive Director

October 3, 2008

Dear Sir or Madam:

Do you have a wastewater, stormwater, or nonpoint source project that will need funding during the 2010 state fiscal year? If so, we want to hear from you. Your project may be eligible for a low interest loan to partially or even fully fund your next eligible project. Clean Water State Revolving Fund (CWSRF) loans can be used to match grants from Community Development Block Grant (CDBG), Appalachian Regional Commission (ARC) and the Environmental Protection Agency (EPA). We also partner on projects that have U.S. Rural Development (RD) funds and state appropriation line items.

To be eligible for a low interest CWSRF loan, your project **MUST** be ranked and listed on the 2010 CWSRF Project Priority List developed by the Division of Water (DOW). It's easy to get on this list. All you have to do is download the *CWSRF Project Questionnaire Form*, a Word document, complete the form and send it to DOW. While electronic submittals are preferred, you can complete the form and mail it back. Pick the option that is best for you. The Division of Water (DOW) will use the *Kentucky Integrated Project Priority Ranking System (IPPRS)* to rank all eligible projects that are submitted. The questionnaire form and other related documents are available to be viewed and downloaded at the DOW website at www.water.ky.gov/publicassistance/funding/cwsrf/cwsrf_iup.html or the KIA website at www.kia.ky.gov.

Completed *CWSRF Project Questionnaire Forms* must be received by DOW no later than 4:30 PM eastern time, on December 5, 2008. All hardcopies should be mailed to: CWSRF COORDINATOR, LOLA LYLE, DIVISION OF WATER, WATER INFRASTRUCTURE BRANCH, 200 FAIR OAKS, 4TH FLOOR, FRANKFORT, KENTUCKY 40601. If submitting a hardcopy only, please allow additional time for mailing.

If you have projects on the 2009 CWSRF Project Priority List that have not been funded and wish for these projects to be carried over to the 2010 CWSRF Project Priority List, please send a letter listing the projects to be carried over to the 2010 Project Priority List by December 5th or send an email to Lola Lyle at lola.lyle@ky.gov. *CWSRF Project Questionnaire Forms* do not need to be resubmitted for projects already on the 2009 Project Priority List, but forms must be submitted for any new projects or carryover projects with significant scope changes. Additionally, only those projects that can start construction by June 30, 2010 will be considered for funding.

The Kentucky Infrastructure Authority will offer three interest rates for the CWSRF program. The standard rate of 3% will be available for borrowers with a median household income (MHI) at or above \$33,672, the MHI of the Commonwealth from the 2000 Census. A 2% rate will be offered to borrowers whose MHI is between \$33,672 and \$26,937 (80% of the Commonwealth MHI). The 2% rate will also apply to those projects that facilitate compliance with an order or judgment addressing environmental non-compliance or those systems that are considered regional. To qualify for the 1% rate, the borrower must have a MHI less than \$26,937.

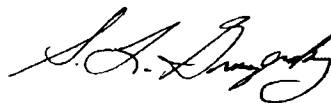
Enclosed with this mailing is a brochure highlighting the Sustainable Infrastructure (SI) initiative launched this year by EPA and the Kentucky Division of Water. Please review the materials keeping in mind that in future years, SI may be incorporated into the point structure allowing for your project to attain a higher ranking on the CWSRF Project Priority List. The DOW encourages you to contact them with any questions or feedback regarding the SI initiative.

If you have questions about completing the questionnaire, please contact Lola Lyle of DOW at lola.lyle@ky.gov or at (502) 564-3410. For more information on loan requirements, terms or eligibility of the program contact Sandy Williams of KIA at sandy.williams@ky.gov or (502) 573-0260.

Sincerely,

A handwritten signature in black ink, appearing to read 'J.E. Covington', with a stylized flourish at the end.

John E. Covington, Executive Director
Kentucky Infrastructure Authority

A handwritten signature in black ink, appearing to read 'S.A. Gruzesky', with a stylized flourish at the end.

Sandra Gruzesky, Director
Division of Water